

# **Alaska Telephone Association**

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February 26, 1996

William F. Caton  
Secretary  
Federal Communications Commission  
Room 222  
1919 M Street, N.W.  
Washington, D.C. 20554

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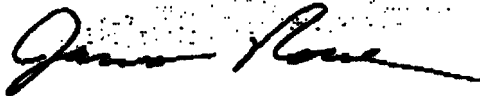
RE: WT Docket 96-6; Amendment of the Commission's Rules to Permit Flexible Service Offerings in the Commercial Mobile Radio Services

Dear Mr. Caton:

On February 15, 1996 the Alaska Telephone Association filed a request for an extension of the one-month comment period for this docket. Having received no response from your office, we offer the attached comments and hope that the Commission will carefully weigh our concerns.

Thank you for your attention.

Very Truly Yours,



James Rowe

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Before the  
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In the Matter of: )

Amendment of the Commission's Rules )  
To Permit Flexible Service Offerings )  
in the Commercial Mobile Radio Services )

WT Docket No. 96-6

**COMMENTS OF THE ALASKA TELEPHONE ASSOCIATION**

The Alaska Telephone Association (ATA), a trade association representing twenty-two local exchange companies in Alaska, provides herein comments pursuant to the Commission's January 25, 1996, Notice of proposed rulemaking ("NPRM") in the above referenced matter. ATA member companies provide local exchange services, including interstate and intrastate access in Alaska.

ATA has reviewed the NPRM and the proposal of allowing the broadband Commercial Mobile Radio Service ("CMRS") providers to offer fixed wireless loop service. ATA would agree the FCC rules are not clearly understood and may need further review and additional work as we develop a competitive local service market. However, if new rules are adopted providing more flexibility, there are significant issues which must be addressed. ATA believes that the NPRM should be reexamined in light of the new Federal legislation, that the Commission must address the inherent problems associated with rules that place a nonregulated entity in direct competition with a regulated entity, and given the new competitive local exchange environment, Commission rules must promote reciprocal and flexible arrangements while ensuring the broader Universal Service commitments. Finally, Universal Service funding assistance needs to be based on loop costs which form basis for local rates.

**FEDERAL LEGISLATION RAISES ADDITIONAL ISSUES**

ATA believes that though the NPRM may not directly conflict with the new Federal legislation, there are additional issues that must be considered in this rulemaking in light of the competitive local exchange markets which will emerge by virtue of the legislation. As competitive markets develop, issues surrounding interconnection and mixed utilization of technologies will surface as carriers look to the most cost effective way to deliver services. The present rules and methodologies for access and revenue recovery mechanism will have to be reexamined and changed to allow for effective competition. To avoid a competitive advantage, the FCC should allow all providers of local loops, including LEC's and all types of CMRS providers, the same opportunity to provide wireless local loop.

### **REGULATORY CONCERNS**

LBC's provide local loops under tariffs which must conform to a host of State and Federal regulations, including types of services (411, 911, data, etc.), as well as quality of the service. The ability to offer wireless local loop is limited to Basic Exchange Telecommunication Radio Service (BETRS) technology, which was attempted and abandoned by several manufacturers as the markets never developed to afford product continuation. Demand for wireless local loops exists in locations which currently are outside areas deemed feasible by CMRS providers.

There are pockets of potential subscribers (yet unserved) in Alaska who would welcome any type of service. There are rural radio subscribers who still use push-to-talk systems who would gladly subscribe to affordable, full duplex technology. ATA would support the clarification of regulations which would enable the sharing and joint provisioning of wireless local loops while promoting the widest application of technology to serve the greatest number of subscribers. The Commission must balance the goal of promoting a fair and open competitive market plan while ensuring we continue to meet the Universal Service goals and objectives.

### **SPECTRUM UTILIZATION ISSUES**

As the Commission moves to maximize utilization of available spectrum, the ATA believes priorities will need to be maintained for different types of wireless services. Provisioning wireless local loop as primary (or only) local loop will increase utilization from both a channel and time perspective in many areas. If fixed wireless local loop is tariffed similarly as local exchange loops are now, usage will require significant alteration of engineering tables for channel allocations. Call holding times are much greater, leaving less spectrum available for mobile usage. Additionally, enhanced services, particularly data, can demand larger increments of spectrum, thereby, further inhibiting mobile usage.

### **UNIVERSAL SERVICE**

ATA believes Universal Service obligations are paramount as the Commission deals with the changing telecommunications issues. Universal Service programs are based on some of the following premises: 1) A carrier is obligated to provide service to customers within service area, resulting in specific embedded investment; 2) Cost of some local loops prohibits reasonable and affordable rate design; 3) Recovery of local loop costs is basis for USF assistance. The Commission must adopt Universal Service mechanisms which assure a level playing field for local loop providers.

**CONCLUSION**

The ATA believes the Telecommunications Act of 1996 has several provisions which impact the substance of this NPRM, and that the issue would be better served by extending the deadline in order to better consider those provisions. If the Commission decides to proceed, the ATA urges that a level playing field be assured for regulatory and Universal Service considerations.

Respectfully submitted this 26th day of February, 1996

**ALASKA TELEPHONE ASSOCIATION**

By:   
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Its: Executive Director

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